



Bills Concerning Tolls and the Special Transportation Fund Transportation Committee February 18, 2011

Connecticut Construction Industries Association, Inc. (CCIA) represents the commercial construction industry in the state and seeks to advance and promote a better quality of life for all citizens in the state. Formed over 40 years ago, CCIA is an organization of associations, where all sectors of the commercial construction industry work together to advance and promote their shared interests. CCIA is comprised of about 350 members, including contractors, subcontractors, suppliers and affiliated organizations representing many sectors of the construction industry. CCIA members have a long history of providing quality work for the public benefit.

CCIA generally supports increasing transportation user fees as a means of financing the billions of dollars necessary to maintain, improve and modernize transportation systems in the state in order to create jobs and drive economic growth. Moreover, CCIA, like Governor Malloy, seeks assurances that any revenue generated by such user fees be dedicated solely to state transportation systems.

CCIA supports the increased attention on the deteriorating condition of our state transportation infrastructure and the need to bring those systems back to a state of good repair. The strong focus on increased funding for transportation projects is important given that the state's transportation needs have outgrown available federal funding, and Connecticut can no longer rely so heavily on federal funding to meet all of the state's transportation challenges.

Electronic tolls installed on major highways are garnering the most attention. Many lawmakers believe this is the preferred way to generate the billions of dollars that will be needed just to maintain Connecticut's infrastructure in a state of good repair. Billions more, however, will be needed to upgrade and expand various transportation modes, including rail, bus service, roads and ports.

Tolls may not be the only answer to generate the resources necessary to address the needs of transportation. The state may need to employ other creative funding mechanisms such as public-private partnerships and an infrastructure bank to leverage private investment. Other states use these alternative financing options. The state may want to study and consider such options carefully, particularly in light of limited government resources and the current budget climate.

The state has a tremendous opportunity to grow its economy and jobs if it moves aggressively to upgrade its transportation systems. In light of the Governor's budget, his



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support for additional funding for transportation and the emphasis on jobs, the legislature needs to act decisively to adopt these policies.

Many transportation projects are expensive and can take years to build. Thus, the state needs to ensure that when financing is allocated, resources are put into dedicated transportation funds to be used solely for transportation projects. Several proposals before the committee would address this issue and the Governor has indicated he would consider proposing a Constitutional amendment, if necessary, to ensure its result.

Planning for a sustainable, dedicated revenue stream to support long-term investment of state dollars to transportation is a goal CCIA supports and one we hope the legislature will adopt. The Governor's budget proposes dedicating at least 70% of revenues from the state's wholesale fuel tax this year and 100% next year to the Special Transportation Fund and adding 3¢ to the 25-cents-per-gallon retail tax on gasoline and 2¢ per gallon to the diesel tax. These measures, while a start, would provide a down-payment necessary to begin to build the transportation systems to support our future prosperity.

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